

**TOWN OF ELSMERE
COUNCIL MEETING MINUTES
JUNE 8, 2013
COUNCIL CHAMBERS
9:00 a.m.**

CALL TO ORDER: Mayor Steven Burg called the meeting to order at 9:00 a.m.

PLEDGE OF ALLEGIANCE:

ROLL CALL:

MAYOR	STEVEN BURG	PRESENT
1 ST DISTRICT	JOHN JAREMCHUK, JR.	PRESENT
2 ND DISTRICT	PATRICIA FRANTZ	PRESENT
3 RD DISTRICT	ROBERT KACPERSKI	PRESENT
4 TH DISTRICT	CHARLES MCKEWEN	PRESENT
5 TH DISTRICT	JOANN I. PERSONTI	PRESENT
6 TH DISTRICT	DEBORAH A. NORKAVAGE	PRESENT

Town Solicitor, Edward McNally – Present
Town Manager, John Giles – Present
Chief of Police, Laura Giles – Present

Treasurer, Paul Chalfant – Absent

Finance Committee Member, Ronald Russo - Present

NEW BUSINESS:

Town Manager John Giles asked that the Council consider moving to the supplemental agenda first because this is a joint meeting of the Mayor, Council and Finance Committee and the appointment which appears on that agenda directly affects that meeting.

Consideration of the appointment of Ms. Steveni Keeley to the Town of Elsmere's Finance Committee. Ms. Keeley's term will expire July 1, 2014.

ACTION: A motion was made by Mayor Burg to appoint Ms. Steveni Keeley to the Town of Elsmere's Finance Committee with a term to expire on July 1, 2014. The motion was seconded by Councilman Jaremchuk.

VOTE: 7-0 All-in-Favor Motion carried

At this time it was announced that Ms. Steveni Keeley was present for the budget hearings

PUBLIC COMMENT:

None

APPROVAL OF MINUTES:

None

OLD BUSINESS:

None

EXECUTIVE SESSION:

Town Manager John Giles stated that because this is a budget hearing and that there is a second supplemental agenda which calls for an executive session for the purpose of discussing the feasibility of and negotiating strategy associated with a potential purchase of property and the fact that the conversations of the executive session will directly relate to the budget hearing at this meeting he asks that the executive session be moved forward on the agenda.

ACTION: A motion was made by Mayor Burg to enter into Executive Session for the purpose of discussing the feasibility of and negotiating strategy associated with a potential purchase of property. The motion was seconded by Councilman Jaremchuk.

VOTE: 7-0 All-in-Favor Motion carried

At this time the Mayor, Council and Finance Committee entered into an executive session.

At this time the Mayor, Council and Finance Committee came out of the Executive Session for the purposes stated on the Agenda, however, during their discussion of that item the need arose for another executive session, the purpose of this executive session is a personnel matter and they have decided that they must re-enter an executive session because this matter directly affects the budget which is being discussed at this meeting.

ACTION: A motion was made by Mayor Burg to enter into Executive Session for the purpose of discussing a personnel matter which was realized during the previous executive session. The motion was seconded by Councilman Jaremchuk.

VOTE: 7-0 All-in-Favor Motion carried

At this time the Mayor, Council and Finance Committee entered into an executive session.

At this time the Mayor, Council and Finance Committee returned to public session.

Town Manager John Giles stated that during the executive session it was discussed among the Mayor, Council and Finance Committee whether they wished to pursue the opportunity to purchase a parcel of land and that given the what they now know about the parcel, they no longer wish to pursue that purchase.

There was a consensus among the Mayor, Council and Finance Committee.

OLD BUSINESS:

None

NEW BUSINESS:

Consideration of Resolution 13-03

ACTION: A motion was made by Councilwoman Personti to approve Resolution 13-03. The motion was seconded by Councilwoman Frantz.

VOTE: 7-0 All-in-Favor Motion carried

Consideration of Resolution 13-04

It was a consensus among the Mayor and Council that they would wait to discuss Resolution 13-04 until the remainder of the budget has been discussed.

Consideration of the FY 13-14 Revenue, Operating and Capital Budgets

It was discussed that the Mayor, Council and Finance Committee would go by Department and would ask questions rather than going line by line through the Budgets.

Administration Department

Finance Committee Member Steveni Keeley stated that the company she works for is experiencing significant increases in the healthcare costs for employees and wondered how, if the costs are increasing for all companies, the insurance lines within this department are actually decreasing.

Town Manager John Giles explained that the Town of Elsmere participates in the State of Delaware Non-Payroll Group Insurance Program and that the exact insurance rates are known and that the Town is experiencing increases in the cost, however, this line was previously budgeted for an employee to take a more expensive plan, the employee did not and another employee has changed their plan to increase their coverage. He stated that those things resulted in a savings from the previous year, however, the increases were not enough to make the costs for the upcoming year exceed what was budgeted the previous year.

ACTION: A motion was made by Councilman Jaremchuk to increase the salary line item within the Administration Department by \$5,000.00 and to adjust the payroll tax accordingly to accommodate that increase. The motion was seconded by Councilwoman Norkavage.

VOTE: 7-0 All-in-Favor Motion carried

Councilwoman Norkavage stated that the NCC Sewer Rates have increased by 11% and asked if that increase had been part of the budget?

Town Manager John Giles stated that the increase was passed by NCC after the budget was submitted to the Mayor and Council.

ACTION: A motion was made by Councilwoman Norkavage to increase the Water/Sewer Line item to accommodate for the 11% increase in NCC Sewer Rates. The motion was seconded by Councilman Jaremchuk.

VOTE: 7-0 All-in-Favor Motion carried

Code Enforcement

Councilman Kacperski asked why the change in permits.

Town Manager John Giles stated that the previous budget year, he did not realize that the permits were actually double budgeted and unrealistic, now we have corrected those things and budgeted what was realized this year.

Town Manager John Giles spoke about the need to restructure the Free Permits, he stated that the contractors are the only ones benefiting from the waiver because they are still charging the homeowners for the permit fees through their contracts. He stated that we currently require non-profits to sign a form that they know the fees are waived and that at a later date the Code Department will be requesting that the signed form be required for all permits that are being waived.

Councilwoman Personti stated that she would agree to those changes to the program.

Councilwoman Norkavage asked about the decrease in the salary.

Town Manager John Giles stated that the difference is due to the new Part-Time Code Enforcement Officer. He stated that the former officer had a higher pay-rate due to longevity and the new officer is at the beginning pay scale.

Councilman Kacperski asked about the residential sidewalk program.

Town Manager John Giles stated that we are mandated by the Federal Government to have a sidewalk program in place and that we do not have this, the program requires up to force homeowners to repair or replace their sidewalks and that this program would allow us to assist homeowners in getting those repairs completed by offering a loan program to those who needed the repairs but could not afford them.

ACTION: A motion was made by Councilman Jaremchuk to remove the \$20,000.00 budgeted for the Residential Sidewalk Replacement Program and that the Town Manager should revisit the program and come up with a different approach to the program. The motion was seconded by Councilman Kacperski.

VOTE: 7-0 All-in-Favor Motion carried

Finance Department

There was a discussion on Franchise Fees where Town Manager John Giles explained that the fees are more realistic to what we actually receive throughout the year.

There was a discussion regarding Transfer Tax Fees where Town Manager John Giles stated that while the market is coming back the costs of the homes are still low so the fees do not increase and that he is not comfortable raising the amount anticipates as revenue in this line.

There was a discussion regarding Interest Fees where Town Manager John Giles explained that the bank accounts were not interest bearing accounts and that they have recently been moved to interest bearing accounts which increases our anticipated income in that line.

There was a discussion regarding monition fees for delinquent taxes where it was discussed where that is budgeted and Town Manager John Giles stated that it is not budgeted separately because we hope to never need to take a property to sheriff sale.

At this time there was a five minute recess.

Parks and Recreation Department

Councilwoman Personti asked if the Park Maintenance budget was for playground equipment, etc. and asked if there were grant funds available for that.

Town Manager John Giles stated that the grants that the Town usually applies for are no longer available but that there are new grants that he is trying to keep un-used so that the Town can use those grants as potential match funds for the proposed walking path project which is anticipated to go out to bid this winter for construction to begin in Spring of 2014.

At this time there were multiple conversations occurring at one.

There was a discussion regarding the Holiday Parade and the Council was asking if the Fire Company would consider trying to have the parade on a Saturday again and Town Manager John Giles stated that the biggest problem with that is the business opposition.

There was a discussion regarding the Independence Day Celebration where Councilwoman Frantz expressed her concerns for noise, traffic and parking in the area of Fairgrounds Park should a three day carnival event occur and that while she is not opposed to the idea of the carnival event she thinks there could be a better location for it and to keep the fireworks at fairgrounds park. There were discussions on whether the fireworks would cost more to have on the 4th of July and if they costs would increase or decrease if we change to a one day event. Town Manager John Giles stated that he also still does not have a proposed contract from the carnival company despite multiple phone calls and emails.

ACTION: A motion was made by Councilman Jaremchuk to approve the Independence Day Celebration as a one day event. The motion was seconded by Councilwoman Frantz.

VOTE: 2-5 Motion Failed

1st District – Yes, 2nd District – Yes, 3rd District – No, 4th District – No,
5th District – No, 6th District – No, Mayor – No

ACTION: A motion was made by Councilman Jaremchuk to approve the Independence Day Celebration as a three day carnival event. The motion was seconded by Councilman Kacperski.

VOTE: 6-1 Motion carried

1st District – Yes, 2nd District – No, 3rd District – Yes, 4th District – Yes,
5th District – Yes, 6th District – Yes, Mayor – Yes

Councilwoman Norkavage asked Town Manager John Giles if he could call the carnival company again and tell them that if we do not have a contract by next week we may be forced to go with another amusement company.

Public Safety Department

There was a discussion regarding the Red Light Camera and the anticipated income from that. Chief Laura Giles stated that the camera is working and that they are receiving violations but the fines have not yet been paid and the cost to operate the camera must be paid to the State out of the fines prior to the Town receiving any of those funds.

Councilwoman Norkavage asked if the Chief was comfortable with the level of anticipated fines for the next year, stating that she thought they may still be a little high.

Chief Laura Giles stated that there are now 12 officers and that for 6 months of the year there were only 11 officers and that she believes the number of fines next year will be closer to what she is requesting in the budget.

Public Works Department

There was a discussion about having to increase the water/sewer bill to compensate for the 11% NCC Sewer Rate increase.

Councilman Kacperski asked Town Manager John Giles if he thought the Public Works Department could use some Part Time help.

Town Manager John Giles stated that he provided Council with the calculations for a Part Time employee in the department per Councilman Kacperski's request and that he does believe that the department could use some help, he stated that the department completed 27 abatements during the previous month that were incredibly time consuming.

ACTION: A motion was made by Councilman Kacperski to add a Part Time Public Works Employee at the cost of \$26,313 for 37 hours of work per week. The motion was seconded by Councilman Jaremchuk.

VOTE: 7-0 All-in-favor Motion carried

There was a discussion where Town Manager John Giles stated that the Public Works Department is going to begin attempting to offer free scrap pick up to all residents year round, and the department would do what was necessary to recycle the metals and receive payment for them.

Public Works Sanitation Department

Town Manager John Giles stated that he needs to amend the Sanitation Department to add the cost of purchasing 108 new Recycle containers for \$6,297.40 from Cascade Engineering Company.

ACTION: A motion was made by Councilman Jaremchuk to insert a new line item under Public Works Sanitation named Container Replacements for an amount of \$6,300.00. The motion was seconded by Councilman McKewen.

VOTE: 7-0 All-in-favor Motion carried

Long Term Planning Department

There was a brief discussion regarding reducing the amount contributed to the Original Police Pension Plan. Town Manager John Giles stated that he believed that would be a mistake, especially considering the budget is currently sitting at a surplus with the amount budgeted.

Capital Improvement

Town Manager John Giles stated that the only item budgeted is the General Code Updates. He stated that he may come back to Council down the road regarding a new front end loader for the Public Works Department but that because of the possibility of purchasing a new building he did not propose one as part of the budget.

Consideration of Resolution 13-04

There was a lengthy discussion regarding how Councilman Jaremchuk thinks the Town should adopt a policy to begin increasing the taxes on an annual basis based on the COLA Rate issued out of Philadelphia.

ACTION: A motion was made by Councilman Jaremchuk to increase taxes by the COLA Rate of 1.81% for an increase of \$7.78 on the base rate. The motion was seconded by Councilwoman Frantz.

Finance Committee Member Ronald Russo stated that he would agree with that if the Council would consider not having a tax increase this year because of the significant

increase last year and that the budget currently has a surplus and then adopt a policy to begin next year using COLA as the increase amount.

Councilman Jaremchuk stated that he would agree to that and withdrew his motion.

ACTION: A motion was made by Councilman Jaremchuk to approve Resolution 13-04 with no tax increase. The motion was seconded by Mayor Burg.

VOTE: 7-0 All-in-favor Motion carried

ACTION: A motion was made by Councilman Jaremchuk to approve the FY 2013-2014 Operating, Revenue and Capital Budgets as amended at this meeting. The motion was seconded by Councilwoman Frantz.

VOTE: 7-0 All-in-favor Motion carried

Councilman Jaremchuk commended the Town Employees for putting the budget together and stated that he believes they presented a very good budget for consideration.

DEPARTMENTAL REPORTS:

None

ITEMS SUBMITTED BY THE MAYOR AND COUNCIL:

District 1 – None

District 2 – Councilwoman Frantz stated that even though the Town is having a three day carnival at Fairgrounds Park for Independence Day she still supports the event, she stated she wants the event she just has some reservations.

District 3 – None

District 4 – None

District 5 – Councilwoman Personti stated that there was a fire at 2 Poplar Avenue where the garage and the neighbors' garage were destroyed. She further stated that the garages were non-conforming uses and are now required to apply for variances to be reconstructed since the damage was more than 50%.

ACTION: A motion was made by Councilwoman Personti to waive any fees associated with the request for variances for the reconstruction of garages for 2 & 2½ Poplar Avenue. The motion was seconded by Mayor Burg.

VOTE: 7-0 All-in-favor Motion carried

District 6 – Councilwoman Norkavage asked if Town Manager John Giles could attempt to have a contract to present to Council on June 13, 2013.

Town Manager John Giles stated he has been attempting to get the contract for weeks and that if he does not get a contract he will begin to look at different amusement companies.

Mayor – Mayor Burg thanked the employees for the budget proposal. He asked how much the hearing for the Election Appeal cost the Town.

Town Manager John Giles stated that so far it has cost the Town \$1,413.54 for Mr. Doyle to appeal what he says is not an appeal and that there are currently no additional meeting scheduled right now.

PUBLIC COMMENT:

ADJOURNMENT:

ACTION: A motion was made by Mayor Burg to adjourn. The motion was seconded by Councilman Jaremchuk.

VOTE: 7-0 All-in-Favor Motion carried

These minutes summarize agenda and other issues discussed at this Council Meeting. Votes are recorded accurately. The audio tape(s) of this meeting will be available at Town Hall for a period of two years from the date these minutes are approved. The audio tapes may be reviewed at Town Hall by appointment and in accordance with the Freedom of Information Act.

STEVEN E. BURG
MAYOR

JOANN I. PERSONTI
SECRETARY